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# CALIFORNIA FARM BUREAU FEDERATION

EXECUTIVE OFFICES

*99-218*

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**OCT 06 1999**

October 5, 1999

## VIA FACSIMILE AND REGULAR MAIL

Lester Snow, Executive Director  
CALFED Bay/Delta Program (916) 654-9780  
1416 Ninth Street, Suite 1155  
Sacramento, CA 95814

The Honorable Mary Nichols  
Secretary (916) 653-8102  
The Resources Agency  
1416 Ninth Street, Suite 1311  
Sacramento, CA 95814

**Re: Freedom of Information Act APPEAL:  
Request for Background Data on CALFED  
Expenditures from 1994 to Date**

Dear Secretary Nichols and Director Snow:

On August 6, 1999 we requested detailed information on expenditures of funds by CALFED (copy of letter attached). Therein followed a detailed list of questions put to CALFED premised on gleaning information about its financial accounting for the approximately \$250 million dollars expended by that program to date. Mr. Snow acknowledged receipt of our request by letter dated August 20, 1999. On September 3, 1999, Secretary Nichols sent a letter stating that responses to our Freedom of Information Act (FOIA) Request would be provided directly by Mr. Snow.

By letter dated September 7, 1999, Mr. Snow provided information that was evasive and incomplete. Mr. Snow states in the September 7 letter that it is a "partial response to your request, reflecting all CALFED office files. The Resources Agency and the Department of Interior maintain additional files, which are currently being reviewed." Because both the Resources Agency and the Bureau of Reclamation (on behalf of itself, the U.S. Geological Survey and the U.S. Fish and Wildlife Service as coordinating agencies for the Department of the Interior) responded by saying all information requested would be provided by CALFED, we understand Mr. Snow's September 7 response to be complete and final.

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G-007883

We hereby appeal the September 7 FOIA response by Mr. Snow under 5 U.S.C. section 552(a)(6) for the following reasons:

(1) Under paragraphs A and C of our August 6 FOIA request, Mr. Snow did not provide direct and complete responses to the primary request and the list of related questions.

(2) Under paragraph E of our August 6 request, Mr. Snow's response was evasive, stating the following:

With regard to subheading E, the CALFED Bay-Delta Program has requested an audit of its ecosystem restoration activities by the Department of Water Resources. The audit is being conducted by the Department's Internal Audit Office. The final report is expected this year. Additionally, all CALFED program funding is processed through established state and federal accounting systems and is subject to state and federal audit processes.

Mr. Snow withheld the name of the auditor employed by the Department of Water Resources to conduct the audit and withheld the information provided by CALFED to the auditor to process the audit report. Additionally, we were informed by Cammille Smith, Regional FOIA Coordinator for the Bureau of Reclamation, that CALFED expenditures have not been the subject of federal audit processes to date to his knowledge.

(3) CALFED failed to search for and provide records responsive to this request. In an effort to informally resolve the lack of adequate responses to our initial request, we contacted CALFED designated officials to try to pin-point specific information on expenditures that is available from CALFED. To this end, we asked Linda Marty, CALFED Budget Officer, to give us a copy of the audit request sent to DWR Auditor Eloisa Bunn. She stated she would need to clear this document's release with CALFED's legal counsel. We need to receive a copy of this document to understand the parameters of the audit of the Category III funds, currently estimated at \$60 million dollars. As we understand from Ms. Marty, the Category III grants are handled by a separate accounting process from the CALFED operating costs.

In addition, we spoke with Chester Winn, Project Manager for DWR, per the *Interagency Agreement Between The Resources Agency And The Department of Water Resources*, DWR Contract #165927, provided to us by Secretary Nichols. Mr. Winn was quite helpful in explaining the various funding sources for CALFED from State Proposition 204, federal contributions and independent water industry participants. We learned the focal point for financial accounting of the state's share of expenditures for CALFED each fiscal year since its inception is the program manager's report.

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The information supplied by Mr. Snow does not respond to our requests for accounting for the federal share of CALFED expenditures, contrary to representations by the U.S. Bureau of Reclamation in their letter dated October 1, 1999 (copy of letter attached). Accordingly, we specifically request a response to this appeal that provides detailed accounting of all federal contributions to and disbursements or commitments from CALFED funds, including all operating expenses and Category III expenses as detailed in cross-cutting budget reports or any other pertinent documents.

We are willing to continue to discuss our initial request and this appeal in order to facilitate timely and meaningful responses by CALFED. As stated in our initial request, we need this information in order to clear up confusion about whether funds provided to CALFED to date have been obligated and, if so, expended, and what are the current plans for their expenditure. This information would facilitate and enlighten stakeholder support for additional appropriations by accounting for past and current use of funds. Moreover, it is information we as taxpayers have a right to know and be kept apprised of on a routine basis.

The responses received from Mr. Snow fail to respond to our initial request. We eagerly anticipate a complete and responsive reply from you within 20 working days. Meanwhile, we continue to be willing to work with CALFED officials to resolve this matter amicably.

Sincerely,



BILL PAULI  
President

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Enclosures

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